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Ed Collins
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Donelle Dadiaga
Max Factor Bldg.

David Gajda
Hollywood Software

William Hertz
Main Theatres

Kathy Katschun
*LAI Gay & Lesbian
Center*

Nathan Korman
1723 Wilcox

John Trusson
*Trusson Investment
Group*

Monica Yamada
CIM Group

Kerry Morrison
Executive Director



Hollywood Entertainment District

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November 20, 2002

TO: Karen Kalfayan
Office of the City Clerk

FROM: Kerry Morrison
Executive Director
Hollywood Entertainment District POA

SUBJECT: Third Quarter
July 1, 2002 through September 30, 2002

As is required in our Agreement with the City of Los Angeles, I am submitting our Third Quarter Report to summarize key activities of the Hollywood Entertainment District.

I. Operational Issues

- The budget was adjusted at the 7/18/02 meeting to accommodate less-than-anticipated assessment revenue income. Cutbacks amounting to \$90,000 were made in the following areas: temporary help, travel, consulting, security, marketing, streetscape and contingency. Over the course of the quarter, as additional revenues became available to the HED, some restoration was made in the area of security and grant consulting and the ERA benchmark study.
- The board hired a risk management expert, Steven Romine of Romine & Associates to evaluate the Association's current insurance coverage (general liability, excess liability and O/O coverage) as well as the coverage required of the HED's security vendor. As a result of the inquiry, the Board voted at their 8/22/02 meeting to reduce the insurance requirements imposed upon Burke Security to carry a \$2 million excess liability policy.
- A Nominating Committee met during this quarter to recruit candidates for and prepare a slate of nominees to fill five vacancies scheduled to occur in November of this year. Applications from property owners were due 7/25/02 and a slate was announced in August. The slate included Russ Joyner, Hollywood & Highland; Barbara Burns, MTA; Donelle Dadiaga, Max Factor Building; Alan Sieroty, Eastern-Columbia Properties; and Nathan Korman, Center Enterprises.
- The 2002/2003 assessment roll was prepared by MuniFinancial and submitted to the city clerk in July. The assessment roll reflects a 2.8% CPI increase, and also new parcel assessments for over 50 parcels associated with the Hollywood and Highland development.

- The Executive Director continued negotiations with the LA Unified School District regarding payment of past due assessments for Selma Elementary School, and coming to agreement on a go-forward policy for payment of assessments in the HED and other BIDs where there are school properties.

II Security

- The HED hosted a Crime Awareness Seminar on August 6 for property and business owners within the District. Presentations were made by various representatives of the Los Angeles Police Department, Burke Security and the HED Executive Director. Topics covered included undercover narcotics strategies, how to protect one's business/property, gang activity, and crime trends in the BID area. About 65 people attended.
- The Security Budget was partially restored at the August Board meeting to allow for early morning patrols (starting at 6 a.m.) on certain days, and ensuring that each day is covered by three footbeats for the remainder of the year.
- The BID participated in advocacy efforts toward maintaining the criminal lock-up at the Hollywood Courthouse by writing letters to superior court judges and Sheriff Baca. The Board also passed a resolution at the 9/19/02 meeting granting the executive director the authority to advocate on behalf of certain categories of law enforcement related public policy issues.

III Streetscape Issues

- A contract extension was signed between the CRA and the HEDPDA to grant an additional six months to the contract to manage the Hollywood Construction Impact Program Grant. CRA opined that HED could have access to the \$62,000 that had accumulated as interest income since 1999 to complete various streetscape projects on side and back streets in the BID. The contract will expire in March, 2002. Contractors who will be involved with this project include Melendrez Design Partners and Thomsen Landscape.
- The Board approved a \$5,000 grant from the HED-Phase II Special Projects account to help fund a median improvement project at the intersection of Argyle and Yucca. The project is spearheaded by the Argyle Civic Association.
- A letter was submitted to Council District 13 itemizing the BID's wish list for street furniture and amenities associated with the Infinity/Decaux street furniture contract with the city of Los Angeles. The letter outlines proposed locations for public toilets, vending kiosks, public amenity kiosks, and modular newsracks.
- The Board approved \$7,500 toward helping the Hollywood Chamber of Commerce pay for holiday decorations. The money will come from the Phase I and Phase II Special Projects Accounts.

- Related to the Canary Island Date Palms: (1) the Board authorized the hiring of a palm tree expert, Dr. Donselman, to survey and deliver recommendations for care/feeding of the 16 Canary Island Date Palms planted in 2001 and (2) a month-to-month irrigation contract was approved with the Landscape Center until a new irrigation contractor could be identified through a competitive bid process.
- Approximately \$22,000 was authorized from the Phase I Special Projects Account to pay for a landscape design plan for "Fan Palms West," a tree planting project from Sycamore to just east of Orange.
- The Bureau of Street Lighting presented renderings and plans for the proposed street light refurbishment project for the Walk of Fame which is scheduled to commence in 2003.

IV Marketing Issues

- The Board authorized a letter supporting a proposed "SummerFest" Memorial Day weekend street fair for 2003, produced by Ron Weisner Entertainment.
- Funds were authorized from the Phase I and Phase II Special Projects account to pay for new pole banners for 2003. Total amount - \$31,000.

V Other

- Because of ongoing problems each Halloween with the proliferation of the sales and use of silly string, the Board sent a formal request to Councilmember Garcetti's office requesting the introduction of an ordinance to ban the sale and use of silly string at Hollywood events. No action was taken by the council office.
- The Board, at their August meeting, supported a private event promoter in their quest to produce an organized, family-friendly Halloween festival on Hollywood Boulevard. Preparations commenced during this quarter to facilitate meetings between the promoters and council staff and the LAPO to help prepare.
- The Board sent a formal request to Councilmember Garcetti reiterating their position that an independent, certified audit of the 12/31/01 New Year's Eve "Centre of the Universe" charity event be presented to the community. No such independent audit resulted. In September, the HEO circulated petitions to businesses in the proposed New Year's Eve street closure footprint, requesting that the party be moved to a different location. Those petitions were submitted to the council office in late September.
- A first report was prepared by Gale Trachtenberg, who was hired to research potential corporate and foundation grant opportunities for the HEOPA.

- The Board supported a "veto request" which was submitted to Governor Gray Davis relative to AB 2561 – Vargas. The legislation, which was passed by the legislature and on the governor's desk, sought to allow for the creation of BID's with a 30 percent petition, and for up to 10 years, in "transit-oriented districts." The Governor vetoed the bill.
- The Board supported the certification of the Hollywood United Neighborhood Council. It is one of three neighborhood councils that lay claim to some portion of the BID.
- The Board voted to oppose the Hollywood secession ballot measure at their 8/22/02 meeting. A letter to this effect was sent to Mayor Hahn and Councilmembers Tom LaBonge and Eric Garcetti.